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Taiwan

Grain and Feed

Private Trade 2008 Rice Quota Allocation Results: First Tranche

2007

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Report Highlights:

On November 23, Taiwan allocated the first tranche of 15,000 tons of the 2008 private sector rice quota. The quotas were awarded to 28 importers through a competitive bidding process. Prices ranged from NT\$9.012/kg to NT\$15.000/kg, with a weighted average of NT\$9.613/kg or \$293/mt. These import rights will be valid from January 1 to September 15, 2008. The second tranche of 20,652 tons of the 2008 private sector rice quota will be allocated on February 27, 2008.

Includes PSD Changes: No

Includes Trade Matrix: No

Annual Report

Taipei [TW1]

[TW]

Private Sector Allocations for 2008 Imports, First Tranche

On November 23, Taiwan allocated 15,000 tons of the 2008 private trade rice quota to twenty-eight Taiwan importers thru competitive bidding with seventy four local importers participating in the process. Quotas were awarded at bided prices ranging from NT\$9.120/kg to NT\$15.000/kg. The weighted average price was NT\$9.613/kg or \$293/mt. The quoted exchange rate is \$1=NT\$32.34 (See Table 1). The difference between the maximum and minimum bids was considerably larger in 2008 than it was a year earlier, but the weighted average price was lower (see Table 2). The bidding price reflects world market situation and local rice market condition. It is hard to weigh which factors make importers hesitate to offer higher prices for quota rights.

These quota rights are valid from January 1 thru September 15, 2008 and are eligible for an extension to December 31, 2008. The second tranche of 20,652 tons of rice quota will be allocated on February 27 thru a competitive bidding process. There is an approximately 22 percent reduction in Taiwan's second rice crop production due to severe typhoon damages, though on an annual production basis it is only a 7 percent. Fierce competition among Taiwan importers is anticipated for the allocation of the 2nd tranche of private sector quota.

Table 1. Taiwan 2008 Rice TRQ Allocation Results – 1st Tranche

PRODUCT NAME	QUOTA AMOUNT	QUOTA VALIDITY DURATION	ALLOCATION DATE	AVERAGE BID PRICE	MAX. BID PRICE	MIN. BID PRICE	# OF ALLOCATIONS
Rice	15,000 mt	Jan. 1/ Sept. 15	Nov. 23	NT\$9.613	NT\$15.000/kg	NT\$9.012/kg	28
	20,652 mt	March 1/ Sept. 15	Feb. 27	NA	NA	NA	NA
	15,000 mt	May 1/ Sept. 15	Apr. 30	NA	NA	NA	NA
Total	50,652 mt						

Table 2. Taiwan 2007 Rice TRQ Allocation Results

PRODUCT NAME	QUOTA AMOUNT	QUOTA VALIDITY DURATION	ALLOCATION DATE	AVERAGE BID PRICE	MAX. BID PRICE	MIN. BID PRICE	# OF ALLOCATIONS
Rice	15,000 mt	Jan. 1/ Sept. 15	Nov. 24	NT\$9.821/kg	NT\$14.500/kg	NT\$9.098/kg	41
	20,652 mt	March 1/ Sept. 15	Feb. 16	NT\$7.603/kg	NT\$9.600/kg	NT\$7.200/kg	31
	15,000 mt	May 1/ Sept. 15	Apr. 30	NT\$7.064/kg	NT\$7.312/kg	NT\$6.910/kg	12
Total	50,652 mt						